

DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF OIL, GAS AND MININGAMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: UTU-4484	6. SURFACE: FEDERAL
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: WEXPRO COMPANY		8. UNIT or CA AGREEMENT NAME: ISLAND UTU063026X	
3. ADDRESS OF OPERATOR: P.O. BOX 458 CITY ROCK SPRINGS STATE WY ZIP 82902		9. NAME OF WELL and NUMBER ISLAND UNIT WELL NO. 87	
4. LOCATION OF WELLS (FOOTAGES) AT SURFACE: 608108X 4423622Y 39.957725 -109.734335 AT PRODUCING ZONE: 608119X 4423462Y 560' FSL, 1648' FWL 39.956284 560' FSL, 1675' FWL -109.734234		10. FIELD AND POOL OR WILDCAT: ISLAND, Wasatch/Mesaverde	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: APPROXIMATELY 42 MILES FROM VERNAL, UTAH		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SE SW 12-10S-19E, SLB&M	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 560' (BHL)	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: N/A	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1300'	19. PROPOSED DEPTH: 10,970' (MD) 10,920' (TVD)	20. BOND DESCRIPTION: Nationwide Bond No. 965002976	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.) 5046' Ungraded	22. APPROXIMATE DATE WORK WILL START: December 1, 2008	23. ESTIMATED DURATION: 25 DAYS	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
24"	20" - CORRUGATED CONDUCTOR	60'	40 CUBIC YARD CONSTRUCTION CEMENT
12-1/4"	9-5/8" 47#, N-80, LT&C	90'	SEE ATTACHED DRILLING PLAN
12-1/4"	9-5/8" 36#, J-55, LT&C	1000'	SEE ATTACHED DRILLING PLAN
7-7/8"	4-1/2" 13.5#, P-110, LT&C	10,970 MD	SEE ATTACHED DRILLING PLAN

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|---|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
49-2204 Ouray Brine | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) G. T. NIMMOTITLE OPERATIONS MANAGERSIGNATURE [Signature]DATE 012908

(This space for State use only)

API NUMBER ASSIGNED 43047-40281Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL: [Signature]

RECEIVED

JUL 31 2008

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is NecessaryDate: 08-20-08
(See Instructions on Reverse Side)
By: [Signature]

T10S, R19E, S.L.B.&M.

R
19
E

R
20
E

WEXPRO COMPANY

Well location, ISLAND UNIT #87, located as shown in the SE 1/4 SW 1/4 of Section 12, T10S, R19E, S.L.B.&M., Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M., TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



SCALE

CERTIFICATE

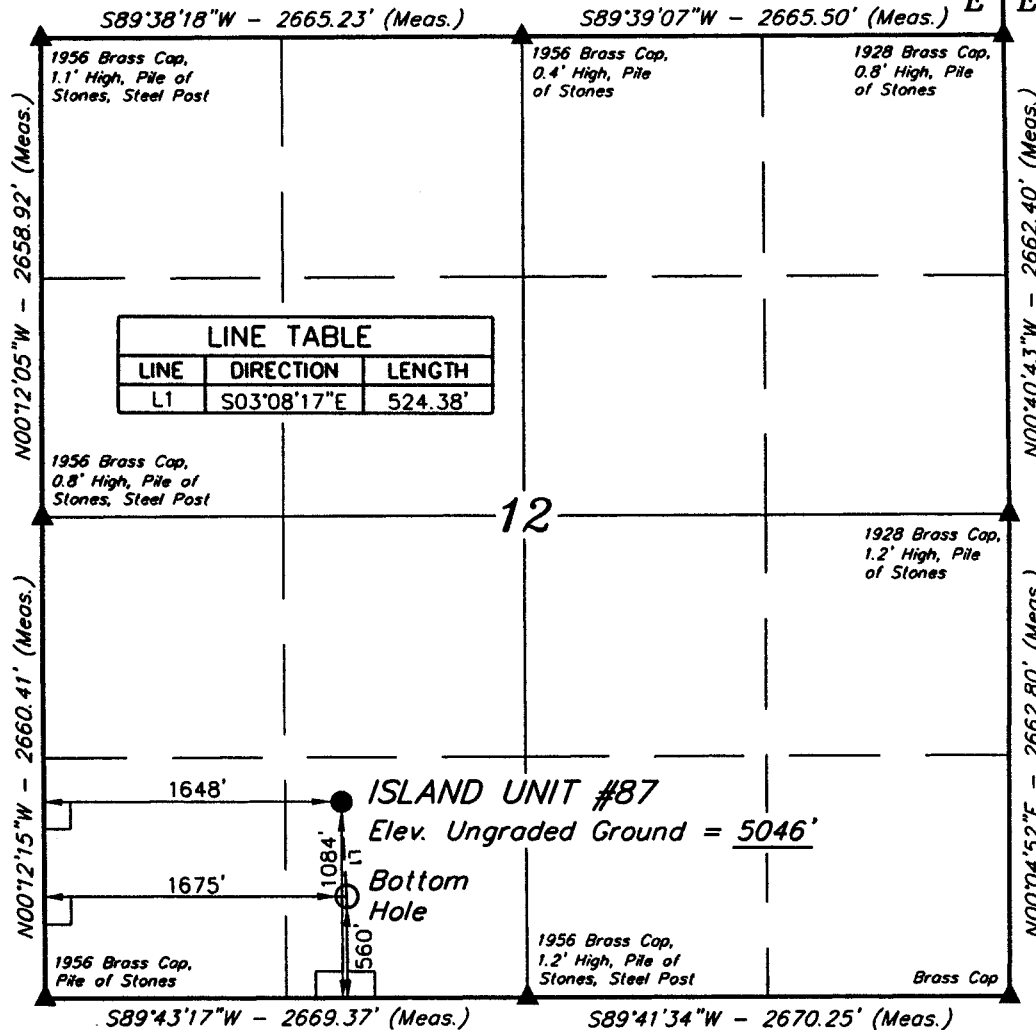
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 07-08-08 C.H.
REVISED: 02-26-08 P.M.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-7-07	DATE DRAWN: 5-11-07
PARTY B.B. M.B. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WEXPRO COMPANY	



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED

NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 39°57'22.59" (39.956275)	LATITUDE = 39°57'27.76" (39.957711)
LONGITUDE = 109°44'05.68" (109.734911)	LONGITUDE = 109°44'06.05" (109.735014)
NAD 27 (TARGET BOTTOM HOLE)	NAD 27 (SURFACE LOCATION)
LATITUDE = 39°57'22.72" (39.956311)	LATITUDE = 39°57'27.89" (39.957747)
LONGITUDE = 109°44'03.18" (109.734217)	LONGITUDE = 109°44'06.05" (109.734319)

**Drilling Plan
Wexpro Company
Island Unit Well No. 87
Uintah County, Utah**

1. SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS:

Formation	Depth - MD	Depth - TVD	Remarks
Uinta	Surface	Surface	
Green River	1,300'	1,300'	
Bird's Nest	2,100'	2,100'	
Wasatch Tongue	4,305'	4,266'	
Green River Tongue	4,661'	4,614'	
Wasatch	4,827'	4,778'	Gas, Major Objective
Lower Wasatch	6,887'	6,837'	Gas, Major Objective
Mesaverde	7,935'	7,885'	Gas, Major Objective
Total Depth	10,970'	10,920'	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected.

2. PRESSURE CONTROL EQUIPMENT: (See attached diagram) Operator's minimum specifications for pressure control equipment require an 11-inch 5000 psi double gate hydraulically operated blowout preventer and an 11-inch 5000 psi annular preventer. BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing. The annular preventer will be tested at 50-percent of its rated working pressure.

NOTE: The surface casing will be pressure tested to a minimum of 1500 psi. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative and accessible at the time the preventers are installed.

AUXILIARY EQUIPMENT:

- a. Manually operated kelly cock
- b. No floats at bit

- c. Monitoring of mud system will be with PVT system
- d. Full opening floor valves in the full open position, capable of fitting all drill stem connections manually operated
- e. Formation integrity test will be done 20' below surface casing shoe to 11.0 ppg

3. CASING PROGRAM:

Hole Size	Size	Top	Bottom	Weight	Grade	Thread	Condition
24"	20"	sfc	60'				Steel Conductor
12-1/4"	9-5/8"	sfc	90'	47	N80	LTC	New
12-1/4"	9-5/8"	90'	1000'	36	J55	LTC	New
7-7/8"	4-1/2"	sfc	10,970' MD	13.5	P110	LTC	New

Casing Strengths:				Collapse	Burst	Tensile (minimum)
9-5/8"	47 lb.	N80	LTC	4,760 psi	8,760 psi	905,000 lb.
9-5/8"	36 lb.	J55	LTC	2,020 psi	3,520 psi	453,000 lb.
4-1/2"	13.5 lb.	P110	LTC	10,680 psi	12,410 psi	338,000 lb

CEMENTING PROGRAMS:

9-5/8-inch Surface Casing: 646 cu.ft. of Class G with 2% CaCl₂ (1/4% celloflake will only be used if lost circulation is encountered).

4-1/2-inch Production Casing:

Lead: 1378 cu. ft. Light cement with retarder, reducer and fluid loss additives, if needed.

Tail: 1775 cu. ft. Light cement with retarder, reducer, and fluid loss additives, if needed.

4. MUD PROGRAM:

Surface to 1000 feet: Surface to be drilled with a dry hole rig.

Surface to TD: Fresh water with gels and polymer sweeps, as necessary from 1000 feet to Total Depth. Mud up, mud weight of 9.0 10.0 ppg, and maintain this to total depth.

Sufficient mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at the wellsite.

No chrome constituent additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. LOGGING: DIL-GR-SFL - Total Depth to surface casing
MICRO-LOG - Total Depth to surface casing
FDC/CNL/GR/CAL - Total Depth to surface casing
BORE HOLE PROFILE LOG- Total Depth to surface casing

TESTING: None

CORING: None

6. ABNORMAL PRESSURE AND TEMPERATURE: No abnormal pressures are anticipated. A BHT of 200 degrees F.

7. ANTICIPATED STARTING DATE: December 1, 2008

DURATION OF OPERATION: 25 days

ISLAND UNIT WELL NO. 87 - CEMENT DESIGN

SURFACE CASING:

CASING:	9-5/8", 36#, K-55	0.4340 cu.ft./lin.ft	
ANNULUS:	12-1/4" (Guage Hole)	0.3132 cu.ft./lin.ft	
EXCESS:		100%	
CEMENT YIELD:	CLASS "G" NEAT	1.15 cu.ft./sack	15.2 ppg
	TAIL	1.15 cu.ft./sack	
TOTAL DEPTH		1,000 Feet	
TOP OF TAIL		0 Feet	(Surface)
TOP OF LEAD		0 Feet	(Surface)

LEAD SLURRY

CU.FT

ANN	0 TO	0	0.3132	0.00		
ANN EXCESS			100%	0.00		
				0.00	0 SACKS	0 CU.FT.

TAIL SLURRY

CU.FT

CSG	1,000 TO	955	0.4340	19.53		
ANN	1,000 TO	0	0.3132	313.2		
ANN EXCESS			100%	313.2		
				645.93	562 SACKS	646 CU.FT.
				DISPLACEMENT	73.8 BBLS	

PRODUCTION CASING:

CASING:	4-1/2", 13.5#, P-110	0.0838 cu.ft./lin.ft	
ANNULUS:	8-1/8" (From Carbide Lag)	0.2496 cu.ft./lin.ft	
EXCESS:		15%	
CEMENT YIELD:	LEAD	2.83 cu.ft./sack	11.3 ppg
	TAIL	1.27 cu.ft./sack	15.2 ppg
TOTAL DEPTH		10,970 Feet-TVD	
TOP OF TAIL		4,800 Feet	(Top of Wasatch Tongue)
TOP OF LEAD		0 Feet	

LEAD SLURRY

CU.FT

ANN	4800 TO	0	0.2496	1198.08		
ANN EXCESS			15%	179.71		
				1377.79	487 SACKS	1378 CU.FT.

TAIL SLURRY

CU.FT

CSG	10,970 TO	10,925	0.0838	3.771		
ANN	10,970 TO	4,800	0.2496	1540.03		
ANN EXCESS			15%	231.00		
				1774.81	1397 SACKS	1775 CU.FT.
				DISPLACEMENT	163.1 BBLS	

Island Unit 87
Approximate Directional Plan
(S.L Russell 7-28-2008)

Measured Depth	TVD	Inclination	Azimuth	N/S Offset	E/W offset	Closure
0	0.00	0	176.5	0.00	0.00	0.00
500	500.00	0	176.5	0.00	0.00	0.00
1000	1000.00	0	176.5	0.00	0.00	0.00
1500	1500.00	0	176.5	0.00	0.00	0.00
2000	2000.00	0	176.5	0.00	0.00	0.00
2100	2099.99	1	176.5	-0.87	0.05	0.87
2200	2199.96	2	176.5	-3.48	0.21	3.49
2300	2299.82	4	176.5	-8.71	0.53	8.73
2400	2399.43	6	176.5	-17.41	1.06	17.44
2500	2498.68	8	176.5	-29.57	1.81	29.63
2600	2597.45	10	176.5	-45.18	2.76	45.26
2700	2695.60	12	176.5	-64.23	3.93	64.35
2800	2793.42	12	176.5	-84.98	5.20	85.14
2900	2891.23	12	176.5	-105.73	6.47	105.93
3000	2989.05	12	176.5	-126.48	7.74	126.72
3100	3086.86	12	176.5	-147.24	9.01	147.52
3200	3184.68	12	176.5	-167.99	10.27	168.30
3300	3282.49	12	176.5	-188.74	11.54	189.09
3400	3380.31	12	176.5	-209.49	12.81	209.88
3500	3478.12	12	176.5	-230.25	14.08	230.68
4000	3967.19	12	176.5	-334.01	20.43	334.63
4100	4065.01	12	176.5	-354.76	21.70	355.42
4200	4162.82	12	176.5	-375.51	22.97	376.21
4300	4260.64	12	176.5	-396.27	24.24	397.01
4400	4358.45	12	176.5	-417.02	25.51	417.80
4500	4456.27	12	176.5	-437.77	26.78	438.59
4600	4554.26	11	176.5	-457.67	27.99	458.53
4700	4652.58	10	176.5	-475.86	29.10	476.75
4800	4751.35	8	176.5	-491.47	30.06	492.39
4900	4850.60	6	176.5	-503.64	30.80	504.58
5000	4950.21	4	176.5	-512.34	31.34	513.30
5100	5050.07	2	176.5	-517.56	31.66	518.53
5200	5150.05	0	176.5	-519.30	31.76	520.27
5300	5250.05	0	176.5	-519.30	31.76	520.27
5400	5350.05	0	176.5	-519.30	31.76	520.27
5500	5450.05	0	176.5	-519.30	31.76	520.27
6000	5950.05	0	176.5	-519.30	31.76	520.27
7000	6950.05	0	176.5	-519.30	31.76	520.27
8000	7950.05	0	176.5	-519.30	31.76	520.27
9000	8950.05	0	176.5	-519.30	31.76	520.27
10000	9950.05	0	176.5	-519.30	31.76	520.27
10970	10920.05	0	176.5	-519.30	31.76	520.27

WEXPRO COMPANY

ISLAND UNIT #87 & #95

LOCATED IN UTAH COUNTY, UTAH

SECTION 12, T10S, R19E, S.L.B.&M.

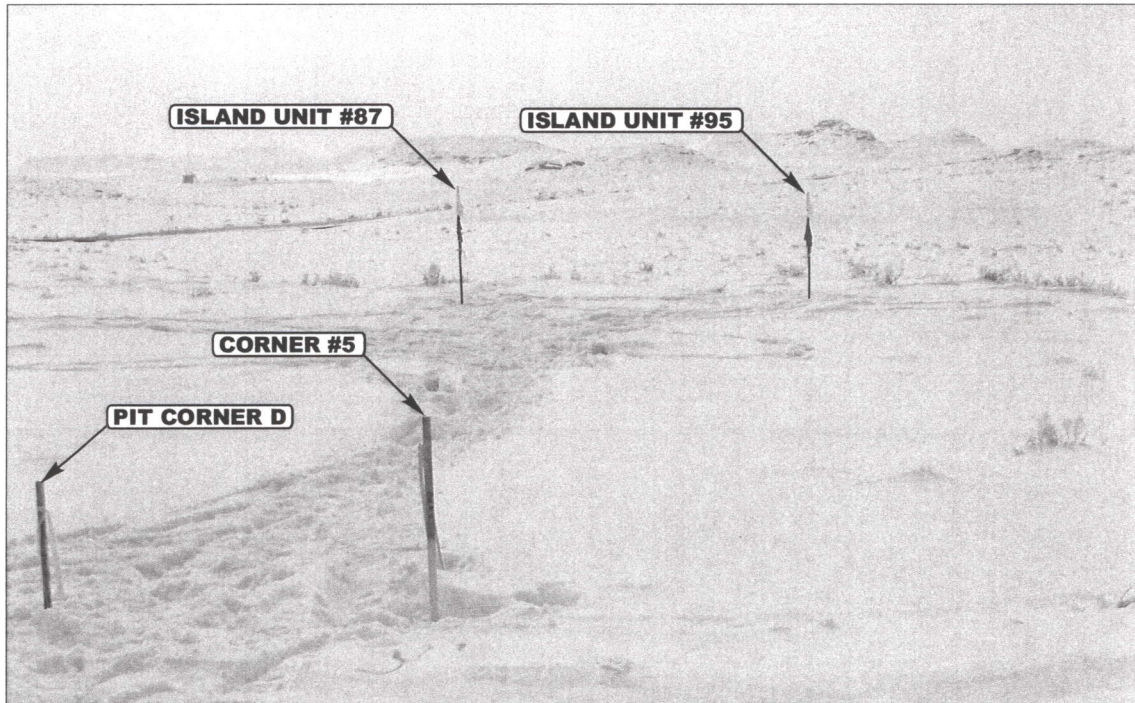


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES

CAMERA ANGLE: SOUTHWESTERLY

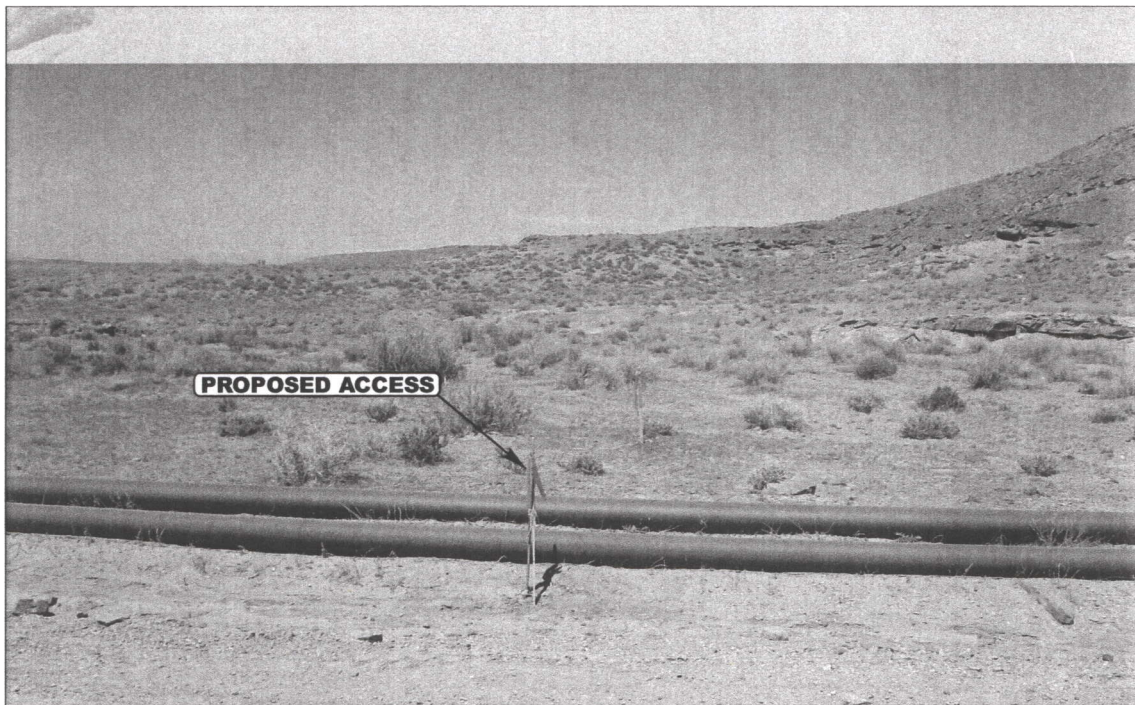


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY

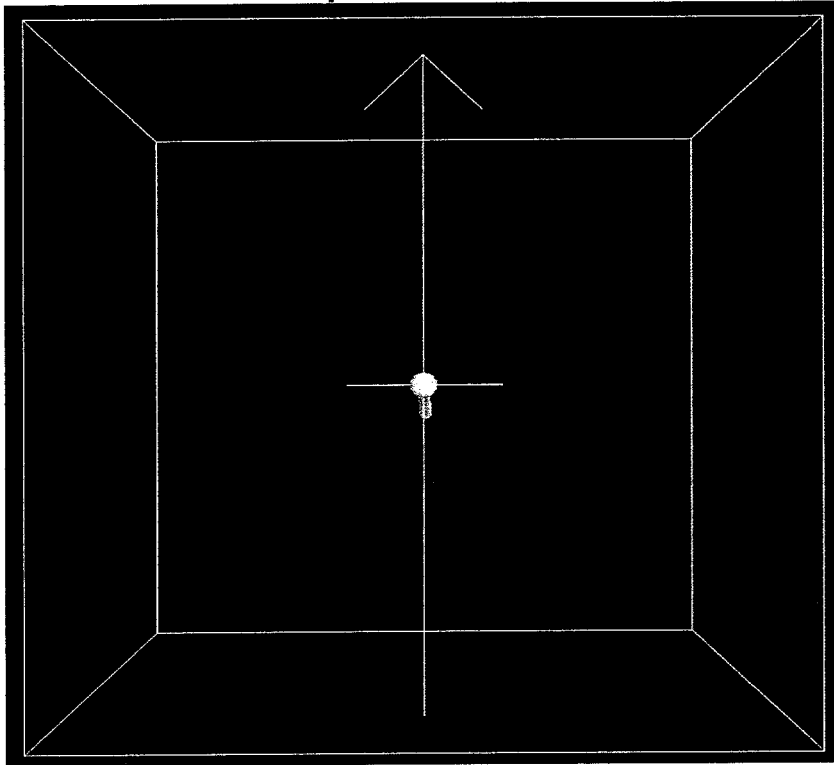


- Since 1964 -

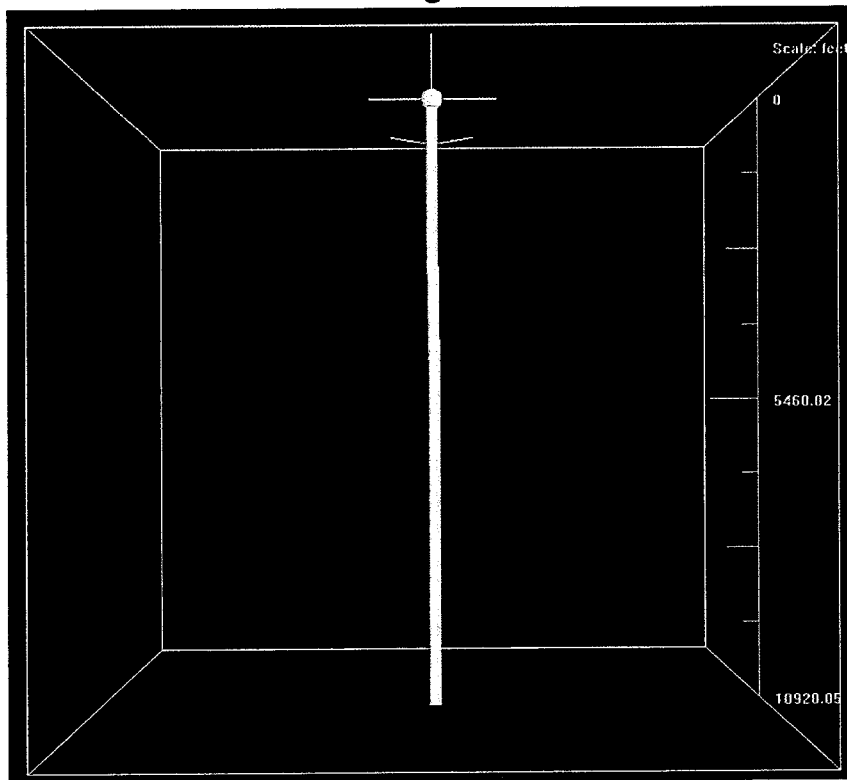
UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			5	10	07	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.B.	DRAWN BY: J.L.G.	REV: 04-30-08 D.P..				

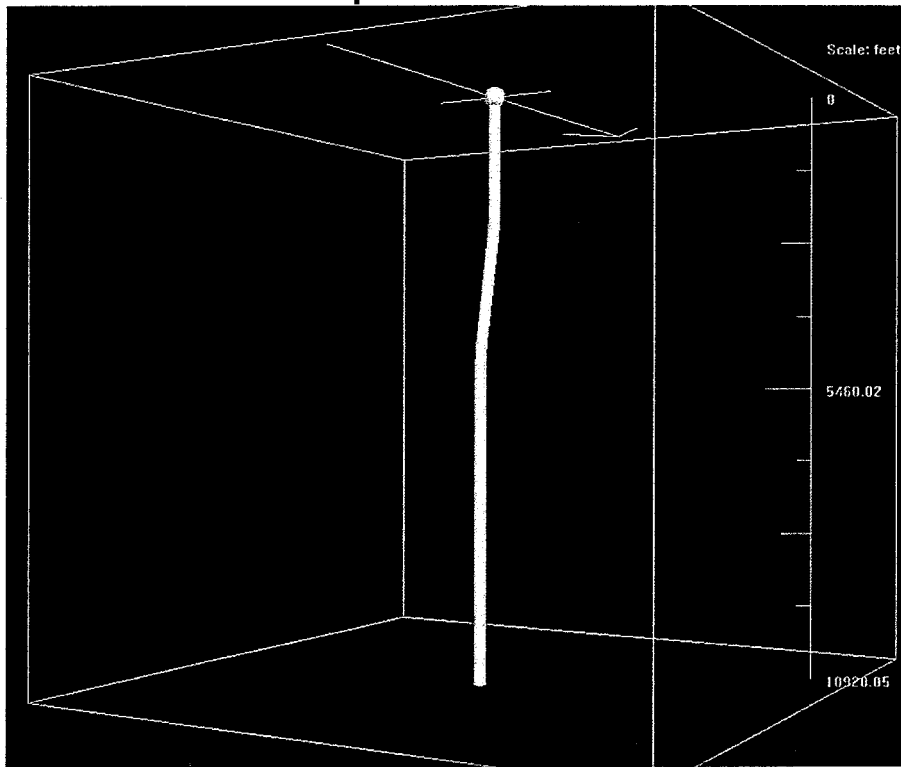
Map View



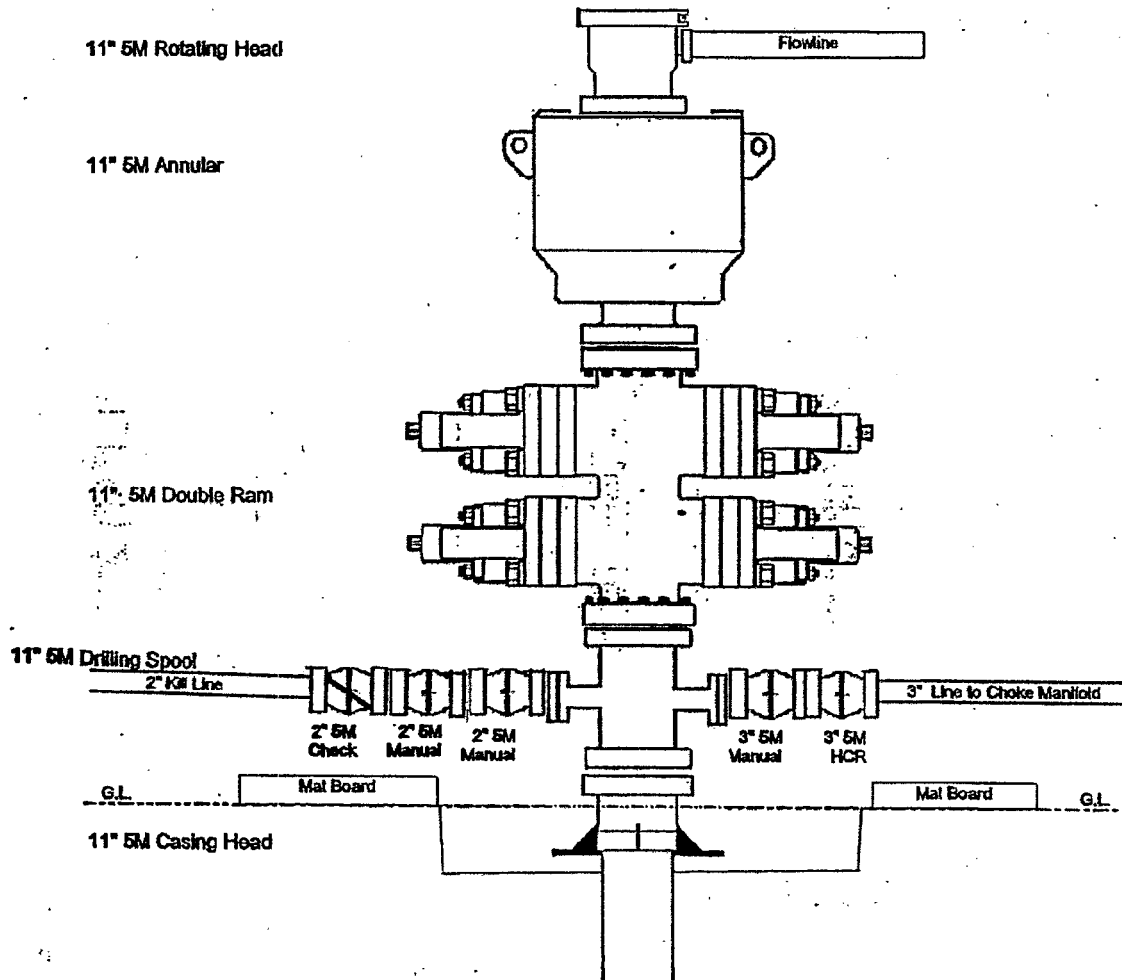
Side view looking North



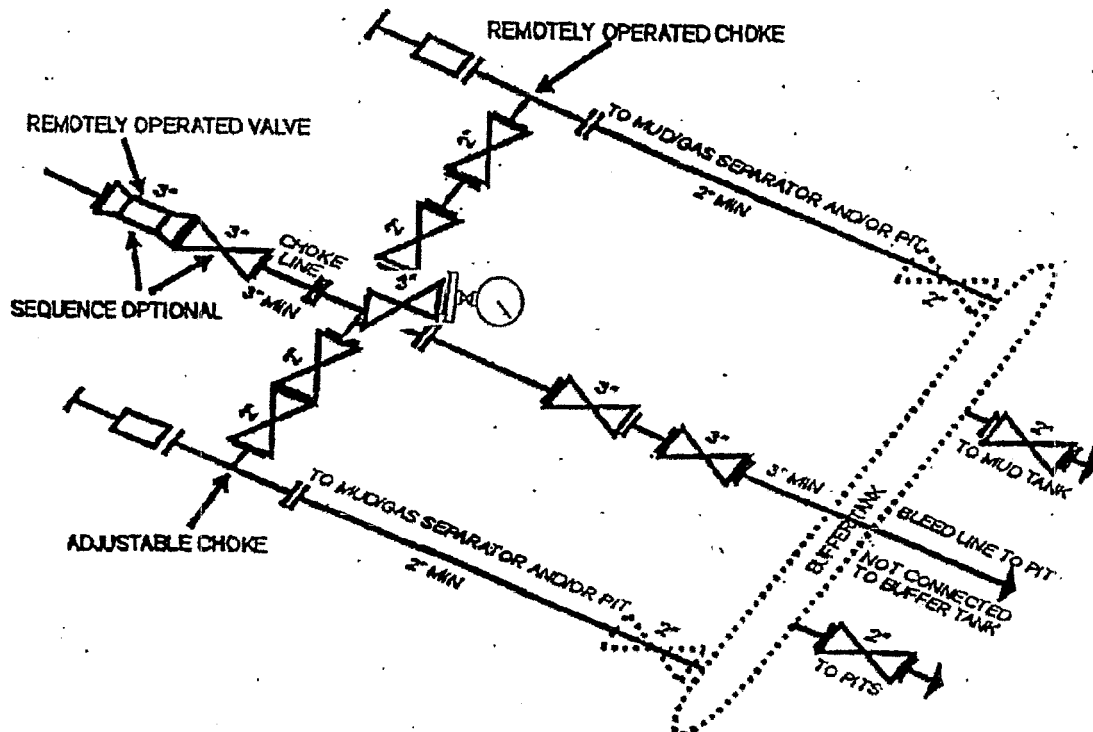
Oblique view



**QUESTAR / WEXPRO
5M BOP
Minimum Requirements**



**MINIMUM CHOKE MANIFOLD ASSEMBLY FOR 5M
/RATED WORKING PRESSURE SERVICE**



Surface Use and Operations
Wexpro Company
Island Unit Well No. 87
(Island Unit Well 87, 95 Pad)
Uintah County, Utah

1. Existing Road:
 - A. Proposed Well Site as Staked: Refer to well location plat and area map.
 - B. Proposed Access Route: Refer to general area map. All access roads are within lease boundaries.
 - C. Plans for Improvement and/or Maintenance: All existing roads utilized will be maintained in their present condition and no improvements will be made.
2. Planned Access Roads:
 - A. The existing road and approximately 315 feet of newly constructed road connecting the existing road to the drilling pad will necessitate a 30-foot wide right-of-way (maximum disturbance).
 - B. Maximum grade: Will not exceed 10 percent.
 - C. Turnouts: Water turnouts will be constructed as required to divert runoff water from the road ditch in such a manner as to not cause erosion.
 - D. Location (centerline): Access road has been staked and flagged. Surface disturbance and vehicular travel will be limited to the approved access route, additional area needed will be approved in advance.
 - E. Two 18" CMP's are required, one 18" CMP where the access road leaves the existing road and one 18" CMP where the access road enters the location. A low water crossing will be installed as shown on Topo B.
 - F. Surface materials: Surface materials will be obtained from cuts along the access road and location. Spot surfacing may be required to maintain the running surface.
 - G. Any topsoil (approximately 6-inches) removed in conjunction with road construction will be spread in the borrow ditches or windrowed to the side. Borrow areas will be seeded as discussed in reclamation procedures.
3. Location of Existing Wells: Refer to area map for the location of existing wells within a one-mile radius.

4. Location of Existing and/or Proposed Facilities: Refer to area maps. Facilities will be installed as detailed on the attached diagram.

All above ground structures not subject to safety requirements will be painted to blend with the natural colors of the landscape. The color chosen is Covert Green. All facilities will be painted as weather permits, but no later than one year after well is turned on for initial production.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain one-and-a-half times the storage capacity of the battery.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from Authorized Officer.

Pipeline

The proposed pipeline will be constructed and operated by Questar Gas Management Company. The pipeline will be approximately 333' in length. The proposed surface pipeline will be 3.5 O.D., Grade B or X-42 with a 0.188-inch wall thickness. The width of the right-of-way requested is 50 feet for construction and will revert to 30 feet for operation and maintenance purposes. The pipeline may be painted a color that blends with its natural surroundings.

The maximum operating pressure that the natural gas pipeline is designed for is 1170 psig. Associated facilities include above ground valves and piping at the lateral junctions.

5. Location and Type of Water Supply: Water will be hauled by tank trucks from the Ouray Brine water well located in Section 9-T8S-R20E, Water Use Claim #43-10610.
6. Source of Construction Materials: All materials will be derived from cuts at the location and along the access road. Construction material will be located on lease.
7. Methods for Handling Water Disposal: Cuttings and drilling fluids will be placed in a lined mud pit which will be constructed with at least one half of its holding capacity below ground level. The mud pit will be fenced on three sides with a sheep-tight fence of woven wire prior to the onset of drilling. Immediately upon completion of drilling, the fourth side will be fenced and the liquids allowed to evaporate. The fence will be maintained until restoration. Any produced liquids will be contained in test tanks and hauled out by tank trucks. Garbage and other waste materials will be placed in a trash cage, the contents of which will be disposed of in the nearest legal landfill. Portable sewage facilities will be utilized for the disposal of human waste.

Produced waste water will be confined to a lined pit for a period not to exceed 90 days after initial production. Produced water will be confined to a 400 barrel tank on location and application is made at this time for approval of disposal of, the excess water produced, to be hauled to one of the following State of Utah approved disposal sites: RN Industries Inc, Sec 4-2S-2W, Bluebell; LaPoint Recycle & Storage, Sec 12-5S-19E, LaPoint; or to Dalbo, Inc, Sec 2-6S-20E, Vernal. All excess produced water will be hauled by tank truck over Unit, Tribal, County and State roads.

8. Ancillary Facilities: Camp facilities will not be required.
9. Wellsite Layout: Refer to drawing.
10. Plans for Restoration of the Surface: During construction, all woody vegetation and the top six-inches of topsoil material will be removed from the pad and stockpiled separately. All pits will remain fenced until cleanup begins. Overhead flagging will be installed if oil is in the mud pit.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. All disturbed areas will be re-contoured to the approximate natural contours to the satisfaction of the Authorized Officer.

The stockpiled topsoil will be evenly distributed over the disturbed areas. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. Reseeding will be done in the fall before ground frost.

A seed drill equipped with a regulator will be required. Seed will be drilled 1/4-1/2 inch deep on the contour using the following seed mixture specified by the Bureau of Land Management.

Species	lbs. PLS/acre
Shadscale	3 lbs PLS/acre
Gardner's Saltbush	3 lbs PLS/acre
Indian Rice Grass	3 lbs PLS/acre
Blue Bunchgrass	3 lbs PLS/acre

Where drilling is not possible a broadcast/rake method will be used doubling the seed mixture.

11. Surface and Mineral Ownership: Surface ownership along the access road is federal and surface ownership at the wellsite is federal.
12. Other Information: Anna Figueroa of the Bureau of Land Management, Vernal Field Office in Vernal, Utah will be notified at least 72-hours prior to commencement of both construction and reclamation operations.

A Class III Cultural Resource Inventory will be completed and the report forwarded to the Bureau of Land Management.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. Lessee's or Operators Representative and Certification:

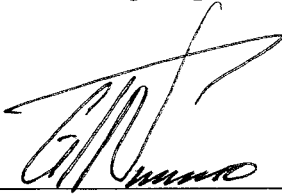
G. T. Nimmo, Operations Manager, P. O. Box 458, Rock Springs, Wyoming 82902, telephone number (307) 382-9791.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Wexpro Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that Wexpro Company is considered to be the operator of Well No. 87; SE ¼, SW ¼, Section 12, Township 10S Range 19E; Lease UTU-4484, Uintah County; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond ESB000024, Nationwide Bond No. 965002976

Date: 072908

Name 
G. T. Nimmo, Operations Manager

WEXPRO COMPANY

LOCATION LAYOUT FOR

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.
SE 1/4 SW 1/4

FIGURE #1

SCALE: 1" = 60'

DATE: 5-11-07

Drawn By: K.G.

REVISED: 02-26-08 P.M.

REVISED: 05-15-08 P.M.

EDGE OF DRAINAGE
NO DISTURBANCE

F-11.3'
El. 30.2'

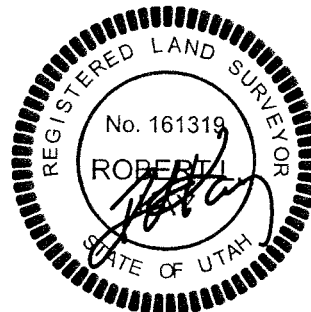
Topsoil Stockpile

Sta. 4+70

F-2.6'
El. 38.9'

Proposed Access
Road

Round Corners
as Needed



NOTE:
Flare Pit is to
be located a min.
of 100' from the
Well Head.

Approx.
Top of
Cut Slope

Pit
Topsoil

El. 58.0'
C-36.5'
(btm. pit)

C-4.9'
El. 46.4'

C-4.9'
El. 46.4'

F-8.5'
El. 33.0'

Sta. 2+60

C-4.6'
El. 46.1'

C-4.6'
El. 46.1'

Total Pit Capacity
W/2' of Freeboard
= 37,270 Bbls. ±
Total Pit Volume
= 9,150 Cu. Yds

Approx.
Toe of
Fill Slope

El. 36.6'
C-15.1'
(btm. pit)

C-0.2'
El. 41.7'

F-6.1'
El. 35.4'

STORAGE
TANK

Sta. 0+00

F-12.7'
El. 28.8'

Reserve Pit Backfill
& Spoils Stockpile F-3.6'
El. 37.9'

Elev. Ungraded Ground at #87 Location Stake = 5046.4'

Elev. Graded Ground at #87 Location Stake = 5041.5'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

WEXPRO COMPANY

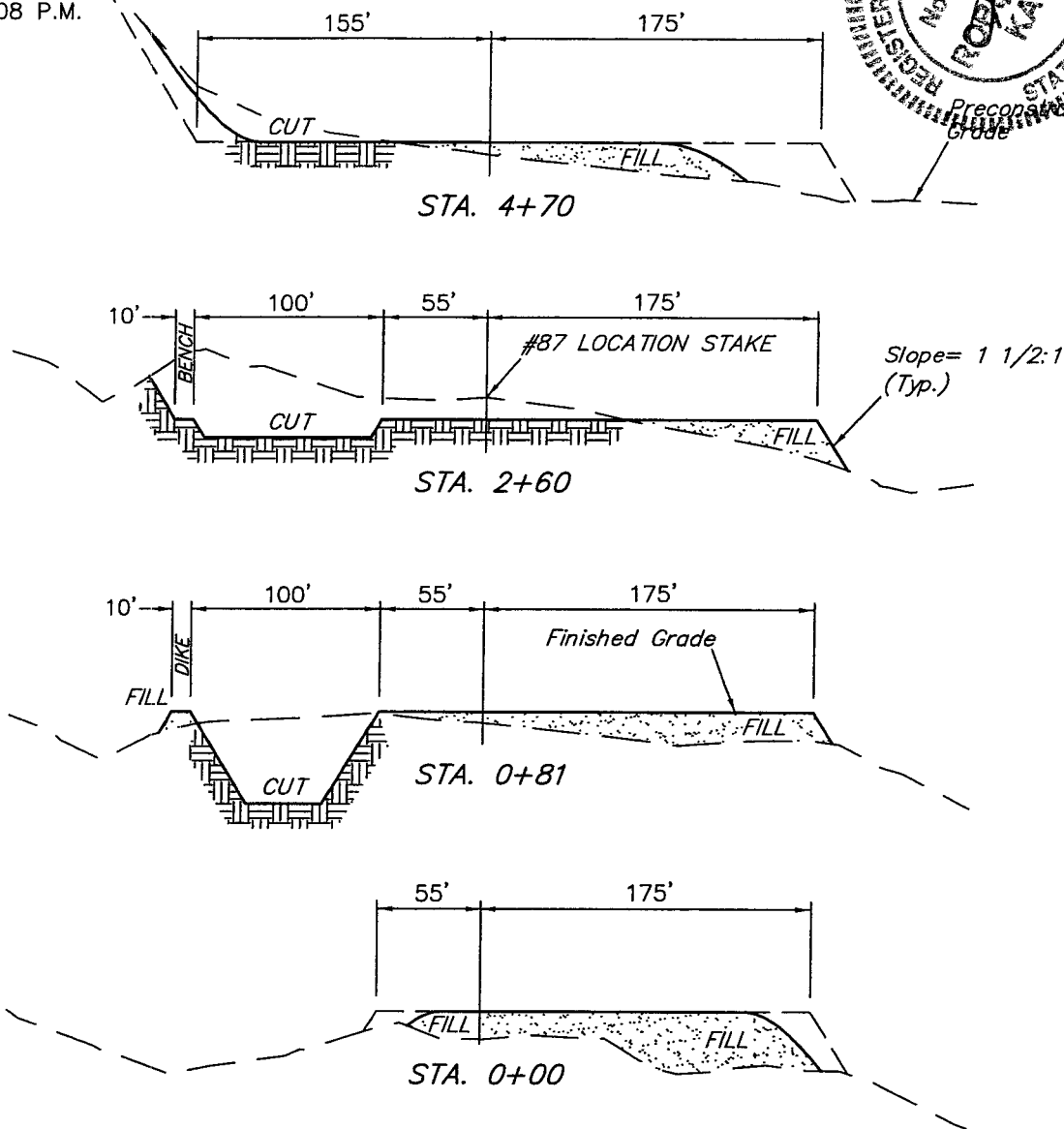
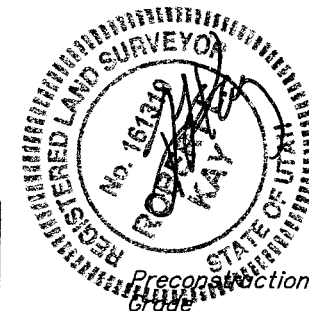
TYPICAL CROSS SECTIONS FOR

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.
SE 1/4 SW 1/4

FIGURE #2

1" = 40'
X-Section
Scale
1" = 100'

DATE: 5-11-07
Drawn By: K.G.
REVISED: 02-26-08 P.M.



APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 4.419 ACRES
ACCESS ROAD DISTURBANCE = ± 0.498 ACRES
PIPELINE DISTURBANCE = ± 0.406 ACRES
TOTAL = ± 5.323 ACRES

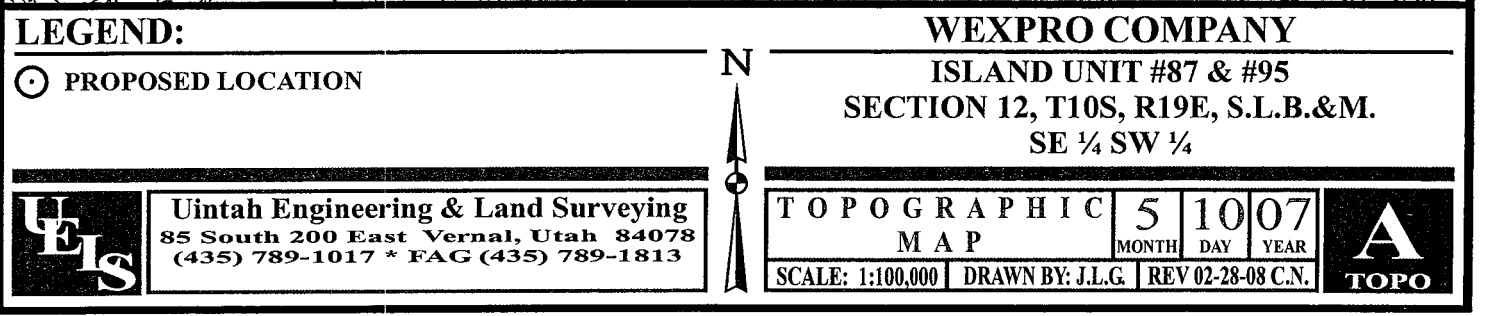
* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

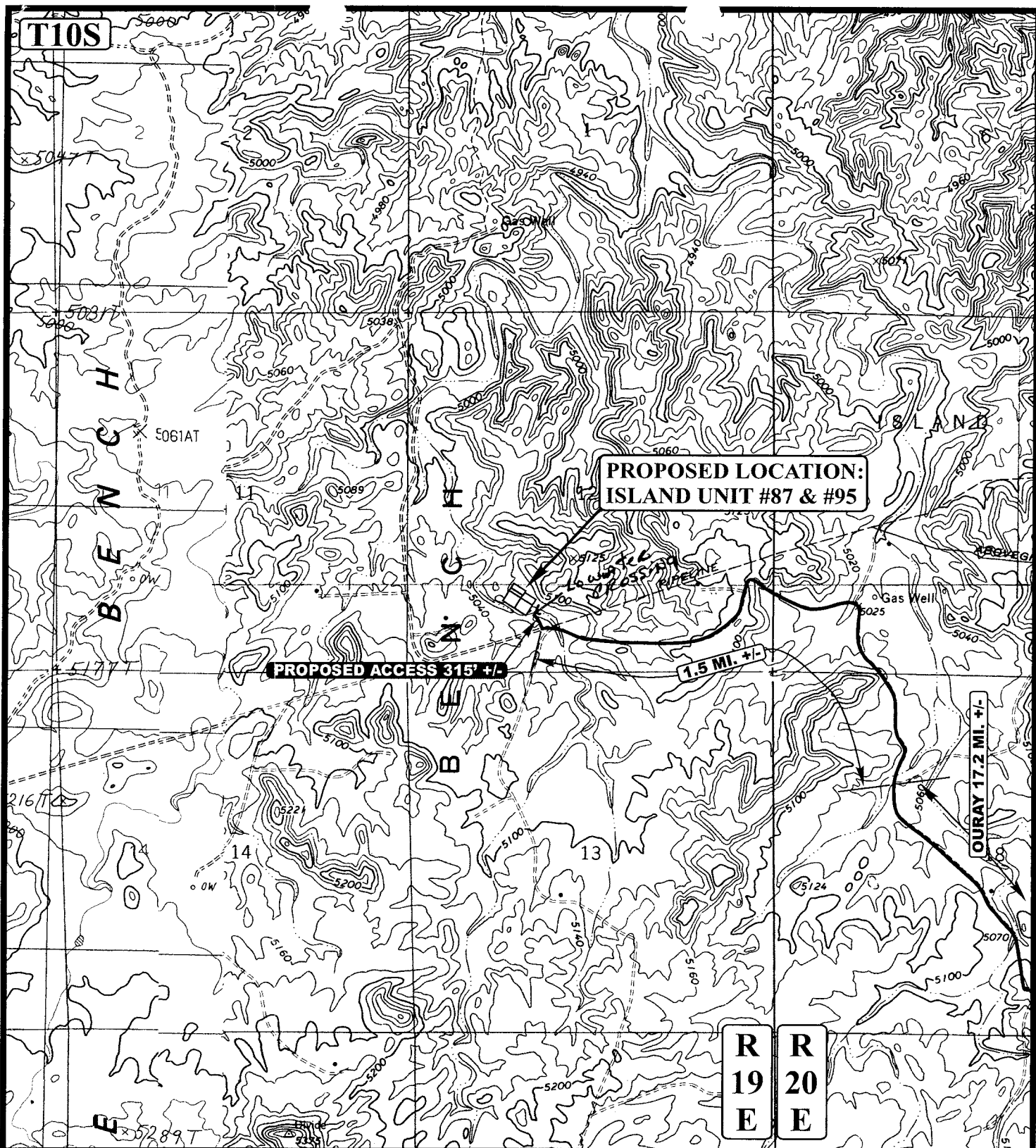
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 3,380 Cu. Yds.
Remaining Location = 24,180 Cu. Yds.
TOTAL CUT = 27,560 CU. YDS.
FILL = 19,600 CU. YDS.

EXCESS MATERIAL = 7,960 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 7,960 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

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LEGEND:

————— EXISTING ROAD
 - - - - - PROPOSED ACCESS ROAD

WEXPRO COMPANY

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.
SE 1/4 SW 1/4



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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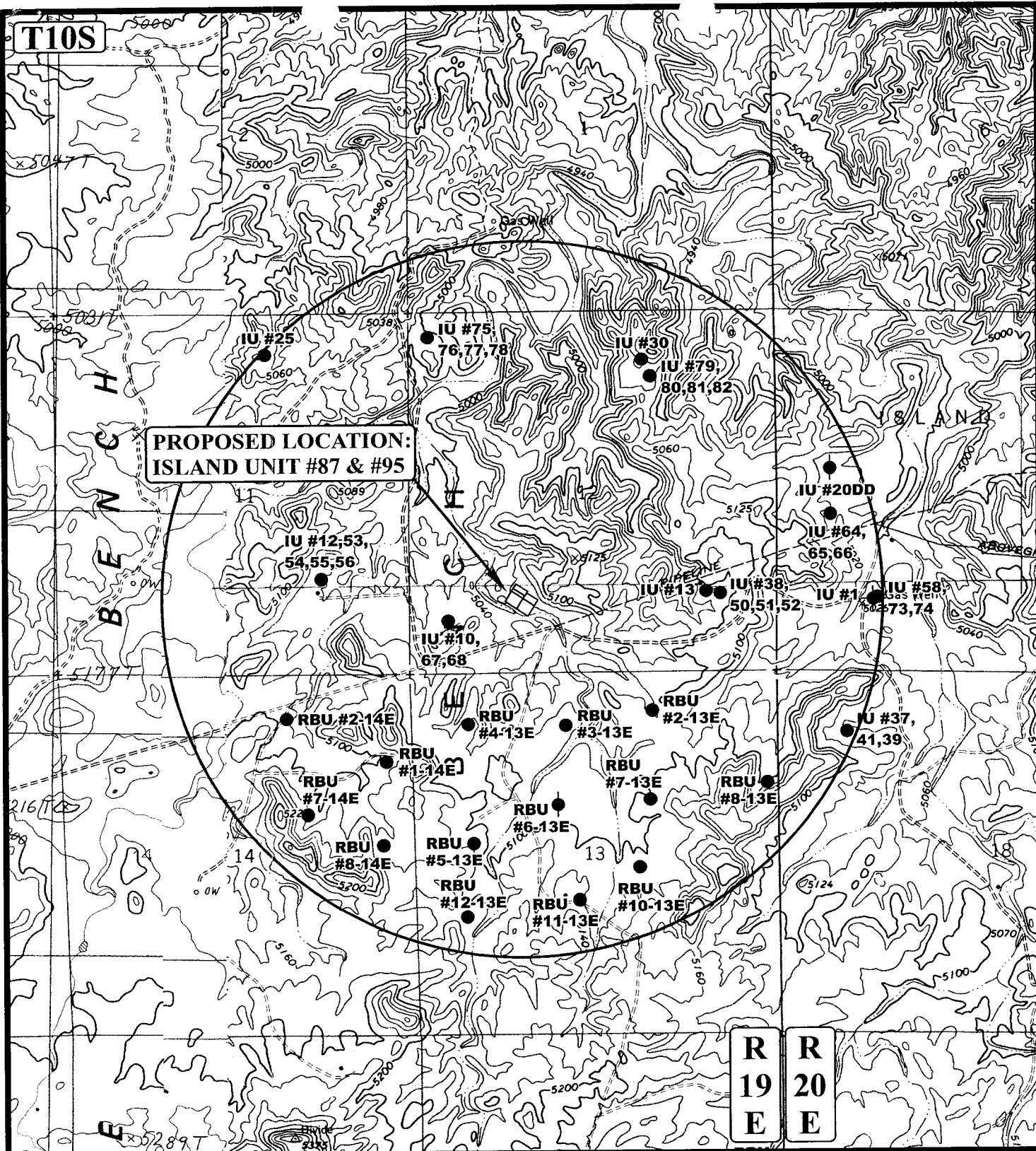
TOPOGRAPHIC
MAP

5 **10** **07**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REV 04-30-08 D.P.

B
TOPO

T10S



PROPOSED LOCATION:
ISLAND UNIT #87 & #95

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

WEXPRO COMPANY

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.
SE ¼ SW ¼



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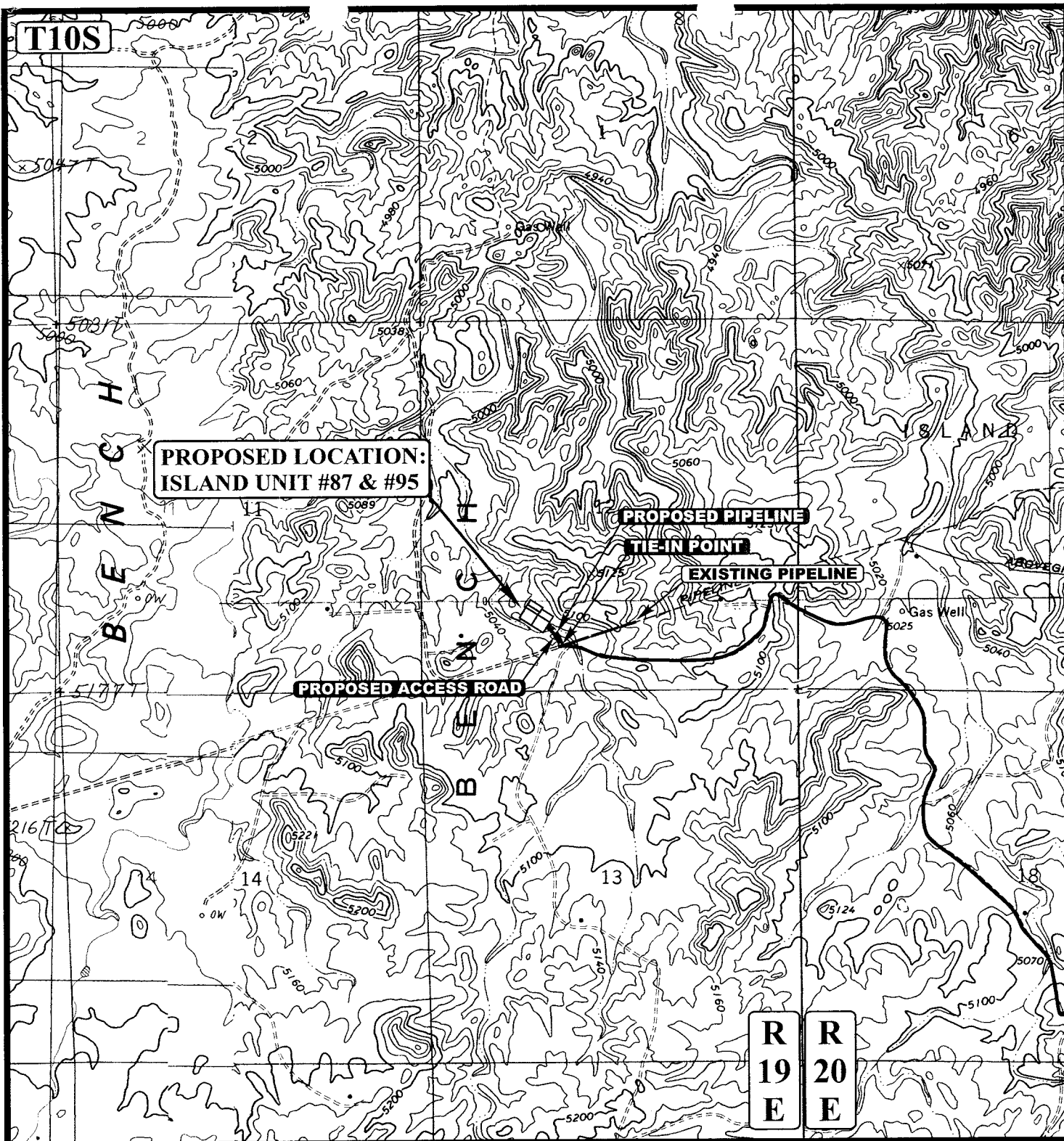


TOPOGRAPHIC
MAP

5 10 07
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REV: 02-28-08 C.N.





APPROXIMATE TOTAL PIPELINE DISTANCE = 333' +/-

LEGEND:

- EXISTING PIPELINE
- - - - PROPOSED PIPELINE
- PROPOSED ACCESS

QUESTAR GAS MANAGEMENT

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.
SE ¼ SW ¼



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAG (435) 789-1813



**TOPOGRAPHIC
MAP**

5 10 07
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REV 04-30-08 D.P.

**D
TOPO**

WEXPRO COMPANY

LOCATION LAYOUT FOR

FIGURE #1

SCALE: 1" = 60'

DATE: 5-11-07

Drawn By: K.G.

REVISED: 02-26-08 P.M.

REVISED: 05-15-08 P.M.

ISLAND UNIT #87 & #95
SECTION 12, T10S, R19E, S.L.B.&M.

SE 1/4 SW 1/4

EDGE OF DRAINAGE
NO DISTURBANCE

F-11.3'
El. 30.2'

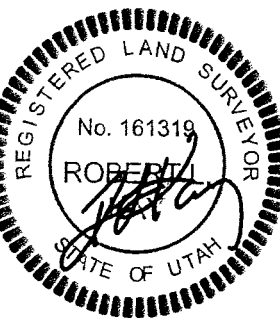
Topsoil Stockpile

Sta. 4+70

F-2.6'
El. 38.9'

Proposed Access
Road

Round Corners
as Needed



2-400 bbl Tanks 2-Prod. Units

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Approx.
Top of
Cut Slope

Pit
Topsoil

El. 58.0'
C-36.5'
(blm. pit)

Total Pit Capacity
W/2' of Freeboard
= 37,270 Bbls.±
Total Pit Volume
= 9,150 Cu. Yds

Approx.
Toe of
Fill Slope

El. 36.6'
C-15.1'
(blm. pit)

Reserve Pit Backfill
& Spoils Stockpile F-3.6'
El. 37.9'

Elev. Ungraded Ground at #87 Location Stake = 5046.4'

Elev. Graded Ground at #87 Location Stake = 5041.5'

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/31/2008

API NO. ASSIGNED: 43-047-40281

WELL NAME: ISLAND U 87

OPERATOR: WEXPRO COMPANY (N1070)

CONTACT: G.T. NIMMO

PHONE NUMBER: 307-382-9791

PROPOSED LOCATION:

SESW 12 100S 190E

SURFACE: 1084 FSL 1648 FWL

BOTTOM: 0560 FSL 1675 FWL

COUNTY: UINTAH

LATITUDE: 39.95773 LONGITUDE: -109.7343

UTM SURF EASTINGS: 608108 NORTHINGS: 4423622

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-4484

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 965002976)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2204)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.
Unit: ISLAND
 R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception
 Drilling Unit
Board Cause No:
Eff Date:
Siting:
☒ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- Specifics

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 4, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Island Unit, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Island Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
Proposed PZ Wasatch/MesaVerde)		
43-047-40277	Island U 90 Sec 02 T10S R19E 0317 FSL 1939 FWL	BHL Sec 02 T10S R19E 0750 FSL 2090 FEL
43-047-40279	Island U 95 Sec 12 T10S R19E 1094 FSL 1631 FWL	BHL Sec 12 T10S R19E 2520 FNL 2160 FWL
43-047-40281	Island U 87 Sec 12 T10S R19E 1084 FSL 1648 FWL	BHL Sec 12 T10S R19E 0560 FSL 1675 FWL
(Proposed PZ Wasatch)		
43-047-40280	Island U 91 Sec 02 T10S R19E 0257 FSL 1942 FWL	BHL Sec 11 T10S R19E 0170 FNL 1830 FWL
43-047-40276	Island U 88 Sec 02 T10S R19E 0277 FSL 1941 FWL	BHL Sec 02 T10S R19E 1110 FSL 0530 FWL
43-047-40278	Island U 89 Sec 02 T10S R19E 0297 FSL 1940 FWL	BHL Sec 02 T10S R19E 1670 FSL 1770 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



Wexpro Company

180 East 100 South

P.O. Box 45601

Salt Lake City, UT 84145-0601

Tel 801 324 2600 • Fax 801 324 2637

August 14, 2008

Ms. Diane Mason
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Request for Exception Location and for Approval of Directional Drilling
Island Unit #87 Well
SURFACE: 1084' FSL, 1648' FWL, SE¼SW¼, Sec. 12, T10S, R19E, SLM
BOTTOM HOLE: 560' FSL, 1675' FWL, SE¼SW¼, Sec. 12, T10S, R19E, SLM
Lease No. U-4481

Dear Ms. Whitney:

In accordance with R649-3-3, Wexpro Company ("Wexpro") respectfully requests administrative approval for an exception location and for directional drilling of the Island Unit Well #87. As reflected on the plats included with the attached Application for Permit to Drill ("APD"), the captioned well is to be drilled directionally with a surface location in the SE¼SW¼ of Section 12 and a proposed bottom hole location 560' FSL and 1675' FWL in the SE¼SW¼ of Section 12. All of Section 12 is committed to the Island Unit which is a Federal Exploratory Unit with Wexpro currently serving as the Unit Operator for the Unit.

Wexpro is permitting this well as a directional well due to topographic reasons. The surface location is required to reach the targeted bottom hole location. Pursuant to R649-3-11, Wexpro requests approval to drill the above-referenced well directionally. Ownership within 460' of the entire length of the proposed wellbore is owned 100% by Wexpro and its affiliate Questar Exploration and Production Company, thereby not requiring the approval of other parties for our intended operation.

We respectfully request the Division of Oil, Gas and Mining approve the APD as described in this letter. Should you have any questions, please call me at 801-324-5938.

Sincerely,

Wexpro Company

By: 

Jonathan M. Duke

Coordinator: Contracts and Land

cc: Bureau of Land Management
Dee Findlay – Wexpro Company
Frank Nielsen – Questar Exploration and Production Company

RECEIVED
AUG 19 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

DRAFT

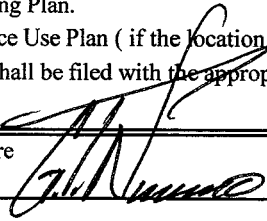
FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-4484
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name n/a
2. Name of Operator WEXPRO COMPANY		7. If Unit or CA Agreement, Name and No. ISLAND UNIT UTU063026X
3a. Address P.O. BOX 458, ROCK SPRINGS, WY 82902		8. Lease Name and Well No. ISLAND UNIT NO. 87
3b. Phone No. (include area code) 307 382-9791		9. API Well No. PENDING
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface 1084' FSL 1648' FWL SE SW Lat. 39.957711 Long. 109.735014 At proposed prod. zone 560' FSL 1675' FWL SE SW		10. Field and Pool, or Exploratory ISLAND, Wasatch/Mesaverde
11. Sec., T., R., M., or Blk. and Survey or Area 12 - T. 10S - R. 19E, S.L.B. & M.		
14. Distance in miles and direction from the nearest town or post office* APPROXIMATELY 42 MILES FROM VERNAL, UTAH		12. County or Parish UINTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any) 560' (BHL)		13. State UTAH
16. No. of acres in lease 640		
17. Spacing Unit dedicated to this well N/A		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1300'		20. BLM/ BIA Bond No. on file Nationwide Bond No. 965002976
19. Proposed Depth 10,970 (MD) 10,920 (TVD)		
21. Elevations (Show whether DF, RT, GR, etc.) 5046' ungraded		22. Approximate date work will start* December 1, 2008
		23. Estimated duration 25 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Land SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by existing bond on file (see item 20 above).
5. Operator certification.
6. Such other site specific information and/ or plans as may be required by authorized officer.

25. Signature 	Name (Printed/ Typed) G. T. NIMMO	Date 07/29/08
Title OPERATIONS MANAGER		
Approved By (Signature)	Name (Printed/ Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

RECEIVED

AUG 19 2008

*(Instructions on page 2)

DIV. OF OIL, GAS & MINING

FedEx 7/30/08

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OF OIL, GAS AND MINING

DRAFT

FORM 3

AMENDED REPORT ☐

(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: UTU-4484	6. SURFACE: FEDERAL
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: WEXPRO COMPANY		8. UNIT or CA AGREEMENT NAME: ISLAND UTU063026X	
3. ADDRESS OF OPERATOR: P.O. BOX 458 CITY ROCK SPRINGS STATE WY ZIP 82902		9. NAME OF WELL and NUMBER ISLAND UNIT WELL NO. 87	
4. LOCATION OF WELLS (FOOTAGES) AT SURFACE: 1084' FSL, 1648' FWL AT PRODUCING ZONE: 560' FSL, 1675' FWL		10. FIELD AND POOL, OR WILDCAT: ISLAND, Wasatch/Mesaverde	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: APPROXIMATELY 42 MILES FROM VERNAL, UTAH		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SE SW 12-10S-19E, SLB&M	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 560' (BHL)	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: N/A	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1300'	19. PROPOSED DEPTH: 10,970' (MD) 10,920' (TVD)	20. BOND DESCRIPTION: Nationwide Bond No. 965002976	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.) 5046' Ungraded	22. APPROXIMATE DATE WORK WILL START: December 1, 2008	23. ESTIMATED DURATION: 25 DAYS	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
24"	20" - CORRUGATED CONDUCTOR	60'	40 CUBIC YARD CONSTRUCTION CEMENT
12-1/4"	9-5/8" 47#, N-80, LT&C	90'	SEE ATTACHED DRILLING PLAN
12-1/4"	9-5/8" 36#, J-55, LT&C	1000'	SEE ATTACHED DRILLING PLAN
7-7/8"	4-1/2" 13.5#, P-110, LT&C	10,970 MD	SEE ATTACHED DRILLING PLAN

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
49-2204 Ouray Brine | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) **G. T. NIMMO**

TITLE **OPERATIONS MANAGER**

SIGNATURE 

DATE **012908**

(This space for State use only)

API NUMBER ASSIGNED _____

APPROVAL: _____

T10S, R19E, S.L.B.&M.

R
19
E

R
20
E

S89°38'18"W - 2665.23' (Meas.)

S89°39'07"W - 2665.50' (Meas.)

1956 Brass Cap,
1.1' High, Pile of
Stones, Steel Post

1956 Brass Cap,
0.4' High, Pile
of Stones

1928 Brass Cap,
0.8' High, Pile
of Stones

N00°12'05"W - 2658.92' (Meas.)

N00°40'43"W - 2662.40' (Meas.)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S03°08'17"E	524.38'

1956 Brass Cap,
0.8' High, Pile of
Stones, Steel Post

12

1928 Brass Cap,
1.2' High, Pile
of Stones

N00°12'15"W - 2660.41' (Meas.)

N00°04'52"E - 2662.80' (Meas.)

1648'

ISLAND UNIT #87
Elev. Ungraded Ground = 5046'

1675'

Bottom
Hole

1956 Brass Cap,
Pile of Stones

1956 Brass Cap,
1.2' High, Pile of
Stones, Steel Post

Brass Cap

S89°43'17"W - 2669.37' (Meas.)

S89°41'34"W - 2670.25' (Meas.)

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED

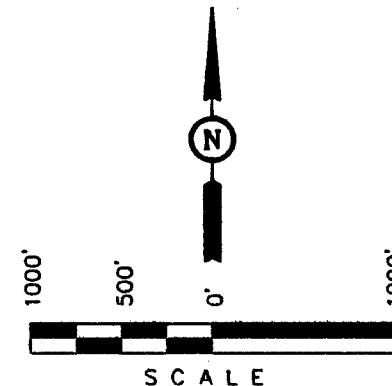
NAD 83 (TARGET BOTTOM HOLE)		NAD 83 (SURFACE LOCATION)	
LATITUDE = 39°57'22.59" (39.956275)		LATITUDE = 39°57'27.76" (39.957711)	
LONGITUDE = 109°44'05.68" (109.734911)		LONGITUDE = 109°44'06.05" (109.735014)	
NAD 27 (TARGET BOTTOM HOLE)		NAD 27 (SURFACE LOCATION)	
LATITUDE = 39°57'22.72" (39.956311)		LATITUDE = 39°57'27.89" (39.957747)	
LONGITUDE = 109°44'03.18" (109.734217)		LONGITUDE = 109°44'06.05" (109.734319)	

WEXPRO COMPANY

Well location, ISLAND UNIT #87, located as shown in the SE 1/4 SW 1/4 of Section 12, T10S, R19E, S.L.B.&M., Uintah County Utah.

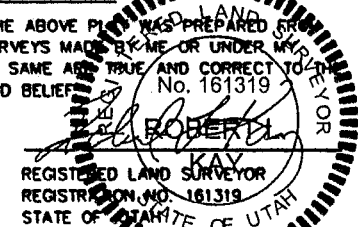
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M., TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 07-08-08 C.H.
REVISED: 02-26-08 P.M.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-7-07	DATE DRAWN: 5-11-07
PARTY B.B. M.B. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WEXPRO COMPANY	



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 20, 2008

Wexpro Company
P O Box 458
Rock Springs, WY 82902

Re: Island Unit #87 Well, Surface Location 1084' FSL, 1648' FWL, SE SW, Sec. 12,
T. 10 South, R. 19 East, Bottom Location 560' FSL, 1675' FWL, SE SW, Sec. 12,
T. 10 South, R. 19 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40281.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office



Operator: Wexpro Company
Well Name & Number Island Unit #87
API Number: 43-047-40281
Lease: UTU-4484

Surface Location: SE SW Sec. 12 T. 10 South R. 19 East
Bottom Location: SE SW Sec. 12 T. 10 South R. 19 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284

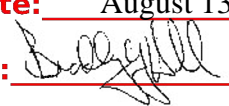
Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-4484			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: WEXPRO COMPANY		7. UNIT or CA AGREEMENT NAME: ISLAND			
3. ADDRESS OF OPERATOR: P.O. Box 458 , Rock Springs, WY, 82902		8. WELL NAME and NUMBER: ISLAND U 87			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1084 FSL 1648 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 12 Township: 10.0S Range: 19.0E Meridian: S		9. API NUMBER: 43047402810000			
PHONE NUMBER: 307 922-5612 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/20/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Island Unit #87 APD was originally approved on 8/20/2008 for a period of one year. Wexpro Company requests a renewal of the APD for an additional one year.					
Approved by the Utah Division of Oil, Gas and Mining Date: August 13, 2009 By: 					
NAME (PLEASE PRINT) Paul Jibson		PHONE NUMBER 307 922-5647			
SIGNATURE N/A		TITLE Associate Permit Agent			
DATE 8/12/2009					



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047402810000

API: 43047402810000

Well Name: ISLAND U 87

Location: 1084 FSL 1648 FWL QTR SESW SEC 12 TWNP 100S RNG 190E MER S

Company Permit Issued to: WEXPRO COMPANY

Date Original Permit Issued: 8/20/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Paul Jibson

Date: 8/12/2009

Title: Associate Permit Agent **Representing:** WEXPRO COMPANY

Date: August 13, 2009

By:

RECEIVED August 12, 2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-4484			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: WEXPRO COMPANY		7. UNIT or CA AGREEMENT NAME: ISLAND			
3. ADDRESS OF OPERATOR: P.O. Box 458 , Rock Springs, WY, 82902		8. WELL NAME and NUMBER: ISLAND U 87			
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Island Unit No. 87 APD was originally approved on 8/20/08 for a period of one year. A APD Extension was then approved on 08/13/2009 for an additional one year. At this time, Wexpro Company requests an additional APD extension for an additional one year.					
NAME (PLEASE PRINT) Paul Jibson		PHONE NUMBER 307 922-5647			
SIGNATURE N/A		TITLE Permit Agent			
DATE 7/22/2010		APPROVED BY: <div style="text-align: right;"> Approved by the Utah Division of Oil, Gas and Mining Date: July 26, 2010 By: </div>			



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047402810000

API: 43047402810000

Well Name: ISLAND U 87

Location: 1084 FSL 1648 FWL QTR SESW SEC 12 TWNP 100S RNG 190E MER S

Company Permit Issued to: WEXPRO COMPANY

Date Original Permit Issued: 8/20/2008

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- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Paul Jibson

Date: 7/22/2010

Title: Permit Agent **Representing:** WEXPRO COMPANY

Date: July 26, 2010

By:

RECEIVED July 22, 2010

RECEIVED

AUG 15 2008
SEP 15 2010

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

VERNAL, UTAH


APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-4484
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name n/a
2. Name of Operator WEXPRO COMPANY		7. If Unit or CA Agreement, Name and No. ISLAND UNIT 891006935X
3a. Address P.O. BOX 458, ROCK SPRINGS, WY 82902		8. Lease Name and Well No. ISLAND UNIT NO. 87
3b. Phone No. (include area code) 307 382-9791		9. API Well No. 43-047-40281 PENDING
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface 1084' FSL 1648' FWL SE SW Lat. 39.957711 Long. 109.735014 At proposed prod. zone 560' FSL 1675' FWL SE SW		10. Field and Pool, or Exploratory ISLAND, Wasatch/Mesaverde
14. Distance in miles and direction from the nearest town or post office* APPROXIMATELY 42 MILES FROM VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area 12 - T. 10S - R. 19E, S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any) 560' (BHL)	16. No. of acres in lease 640	17. Spacing Unit dedicated to this well N/A
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1300'	19. Proposed Depth 10,970 (MD) 10,920 (TVD)	20. BLM/ BIA Bond No. on file Nationwide Bond No. 965010687 BLM No. ESB 000183
21. Elevations (Show whether DF, RT, GR, etc.) 5046' ungraded	22. Approximate date work will start* Upon Approval	23. Estimated duration 25 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- | | |
|--|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by existing bond on file (see item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Land, SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by authorized officer. |

25. Signature 	Name (Printed/ Typed) G. T. NIMMO	Date 09/13/10
--	--------------------------------------	------------------

Title OPERATIONS MANAGER

Approved By (Signature) 	Name (Printed/ Typed) James H. Sparger	Date OCT 08 2010
--	---	---------------------

Title Acting Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE
--	-------------------------------

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

UDOGM

NDS 4/17/08

NOTICE OF APPROVAL

08PP0745A

RECEIVED

OCT 27 2010

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Wexpro Company
Well No: Island Unit 87
API No: 43-047-40281

Location: SESW, Sec. 12, T10S, R19E
Lease No: UTU-4484
Agreement: Island Unit

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
 - All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
 - If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
 - If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
1. Specific Conditions Pertaining to Location Construction:
 - Install low water crossing on access road close to entering the well pad.
 2. Line the reserve pit with 16 mil liner or greater, with felt or hay, straw, mulch bedding. If any of the latter bedding materials are used, it will be certified as weed-free and documentation submitted to the BLM prior to usage.
 3. **Invasive/Noxious Weeds:**
The operator will be responsible for treatment and control of invasive/noxious weeds. Prior to any treatment on BLM administered lands, a Pesticide Use Proposal will be submitted to the Vernal Field Office for approval.
 4. **Reclamation:**
All reclamation activities will adhere to the new Wexpro Company "Standard Reclamation Plan," approved by BLM Vernal Field Office on October 7, 2009.

Seed mix - Interim Reclamation:

Common name	Latin name	lbs/acre	Recommended seed planting depth (inches)
Needle & thread grass	<i>Hesperostipa comata</i>	3	½ - 3
Squirreltail grass	<i>Elymus elymoides</i>	4	¼ - 1/2
Indian ricegrass	<i>Achnatherum hymenoides</i>	3	1.5 - 3
Hycrest crested wheat grass (hybrid)	<i>Agropyron cristayum/Agropyron desertorum hybrid</i>	2	1/4 – 3/4
Forage kochia	<i>Kochia prostrata</i>	0.25	1/16

Seed mix - Final Reclamation:

Common name	Latin name	lbs/acre	Recommended seed planting depth (inches)
Gardner saltbush	<i>Atriplex gardneri</i>	0.5	1/4 – 3/4
shadscale	<i>Atriplex confertifolia</i>	3	1/2 – 3/4
rabbitbrush	<i>Chrysothamnus nauseosus</i>	3	1/2 – 1
Squirreltail grass	<i>Elymus elymoides</i>	4	1/4 - 1/2
Indian ricegrass	<i>Achnatherum hymenoides</i>	3	1.5 – 3
Needle & thread grass	<i>Hesperostipa comata</i>	3	1/2 - 3

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Production casing cement shall be brought up and into the surface.
- For conductor casing, the casing shoe shall be set in a well consolidated formation.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- Logging: A Gamma Ray well Log shall be run from the well Total Depth to the surface. A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.
- A copy of the as drilled directional survey shall be submitted to the BLM Vernal Field Office.
- Well location TD bottom footage hole location information on the completion form 3160-4 Well Completion or Recompletion Report and Log shall match and be in agreement with the actual drilling directional survey well departure (from the) values for the TD bottom hole location.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

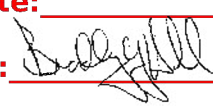
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-4484
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: WEXPRO COMPANY		7. UNIT or CA AGREEMENT NAME: ISLAND
3. ADDRESS OF OPERATOR: P.O. Box 458 , Rock Springs, WY, 82902		8. WELL NAME and NUMBER: ISLAND U 87
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1084 FSL 1648 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 12 Township: 10.0S Range: 19.0E Meridian: S		9. API NUMBER: 43047402810000
9. FIELD and POOL or WILDCAT: NATURAL BUTTES		COUNTY: UTAH
STATE: UTAH		11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/25/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Island Unit No. 87 State of Utah APD was originally approved on 8/20/08 for a period of one year. Since then additional one year APD Extensions have been approved on 8/13/2009 and 7/26/2010. At this time, Wexpro Company requests an additional APD extension for an additional one year.		
Approved by the Utah Division of Oil, Gas and Mining Date: 08/01/2011 By: 		
NAME (PLEASE PRINT) Paul Jibson		PHONE NUMBER 307 352-7561
SIGNATURE N/A		TITLE Permit Agent
DATE 7/14/2011		

RECEIVED Jul. 14, 2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047402810000

API: 43047402810000

Well Name: ISLAND U 87

Location: 1084 FSL 1648 FWL QTR SESW SEC 12 TWNP 100S RNG 190E MER S

Company Permit Issued to: WEXPRO COMPANY

Date Original Permit Issued: 8/20/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Paul Jibson

Date: 7/14/2011

Title: Permit Agent **Representing:** WEXPRO COMPANY

RECEIVED Jul. 14, 2011



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 1, 2012

Paul Jibson
Wexpro Company
P.O Box 458
Rock Springs, WY 82902

Re: APD Rescinded – Island Unit 87, Sec. 12, T.10S, R.19E,
Uintah County, Utah API No. 43-047-40281

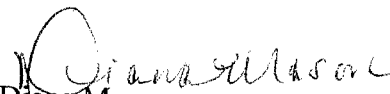
Dear Mr. Jibson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 20, 2008. On August 13, 2009, July 26, 2010 and August 1, 2011 the Division granted a one-year APD extension. October 1, 2012, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 1, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

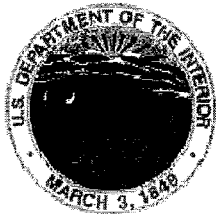
If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District

Vernal Field Office

170 South 500 East

Vernal, UT 84078

<http://www.blm.gov/ut/st/en/fo/vernal.html>



JAN 24 2014

IN REPLY REFER TO:
3160 (UTG011)

Paul Jibson
Wexpro Company
PO Box 458
Rock Springs, WY 82902

43 047 40281

Re: Notice of Expiration
Well No. Island Unit #87
SESW, Sec. 12, T10S, R19E
Uintah County, Utah
Lease No. UTU-4484
Island Unit

RECEIVED
FEB 14 2014
DIV. OF OIL, GAS & MINING

Dear Paul:

The Application for Permit to Drill (APD) for the above-referenced well was approved on October 8, 2010. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM

bcc: Well File
I&E Asst.